

EXECUTIVE SUMMARY

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PURPOSE

The Stewart B. McKinney Homeless Assistance Act of 1997 authorized the Department of Labor to plan and implement the Job Training for the Homeless Demonstration Program (JTHDP) and required an evaluation of the results of the demonstration. The purpose of this interim evaluation report is to describe and analyze the first year of program operations. It is based primarily on quarterly progress reports and evaluation reports submitted by 32 local JTHDP projects,

BACKGROUND

During the past decade, the widespread and growing problem of homelessness in the United States has become the focus of national concern. National estimates of the homeless population size range from 250,000 to as many as 3 million.

Various reasons for recent increases in the homeless population include deinstitutionalization of the mentally ill, a growing shortage of affordable housing, more restrictive eligibility requirements for welfare and disability benefits, and a downturn in the local economy in some areas. The problem of homelessness is often compounded by inadequate mental health services, high unemployment, and alcohol and other drug abuse.

Homeless individuals need decent and affordable housing and adequate income maintenance. They also need access to a wide range of services, including job training, social skills training, social supports, medical care, and ongoing day care and other services for children. One promising approach to the problem of homelessness is to focus on the economic roots of the problem by providing employment and training services to homeless individuals.

Because many of the causes of homelessness are related to economic factors, many service providers, researchers, and policymakers believe that efforts to help homeless people obtain and keep good jobs are important efforts to address the problem. Providing employment and training services to homeless individuals focuses on the relationship among unemployment, poverty and homelessness. It is based on the premise that many people become homeless because they are unemployed or earn low incomes and lack the means to obtain housing. Their low earnings and consequent homelessness are explained at least in part by their lack of marketable skills and employment-related knowledge.



The Stewart B. McKinney Homeless Assistance Act of 1987 represents the first comprehensive national response to the problem of homelessness. Addressing the need to improve the skills, employment and earnings of homeless persons, the Act authorized the Department of Labor to plan, implement and evaluate a homeless job training demonstration program. The JTHDP, which is administered by the Department of Labor's Employment and Training Administration (ETA), is intended to develop knowledge for future policy decisions on job training for homeless Americans. The supporting goals of the JTHDP are the following:

- . To gain information on how to provide effective employment and training services to homeless individuals to address the employment-related causes of the homeless and their job training needs
- . To learn how States, local public agencies, private nonprofit organizations, and private businesses can develop effective systems of coordination to address the causes of homelessness and meet the needs of the homeless.

All projects funded under the Act must submit plans that provide for the following:

- . '... coordination and outreach activities, particularly with case managers and care providers :
- . 'in-shelter outreach and assessment, and where practical, pre-employment services ...and other similar activities that will increase participation in their project.'

The job training-related activities authorized under the Act include basic skills instruction, remedial education activities, basic literacy instruction, job search activities, job counseling, job preparatory training, and any other activities described in section 204 of the Job Training Partnership Act (JTPA). The 1989 Department of Labor notice of funds availability for the JTHDP stresses 'the importance of five of these latter types of activities: institutional skill training, on-the-job training, work experience, followup services, and supportive services. In addition to these services. guidance offered by the Department of Labor 'suggests that the case management approach is a preferred method for providing job training for the homeless.'

From the outset, the Department of Labor planners and administrators who were responsible for the JTHDP realized that no two local projects would be alike. However, in 1989 a generalized 'logic model' addressing participant flow and service receipt was developed to assist local project operators and those responsible for monitoring and evaluating project implementation and outcomes. The key elements of this model were:

- . A "traditional" sequence of employment and training services-outreach followed by intake/assessment, job training, job placement, and retention

- . A wide range of support services, including housing, specialized assessment, transportation, and child care
- . Case management as the element that would link the employment and training and supportive services together.

This model serves as a useful framework for organizing information and analyzing it to promote understanding of the JTHDP.

The McKinney Act mandated both a national-level and individual project-level evaluations. JTHDP projects are thus required to:

- . Cooperate with the national-level evaluation being managed by the Department of Labor's ETA and conducted by R.O.W. Sciences, Inc.
- . Conduct project-level evaluations within guidelines issued by the Department of Labor.

The national JTHDP evaluation plan was developed jointly by R.O.W. Sciences and ETA officials, using interviews with several of the stakeholders in the demonstration, and with input from the JTHDP demonstration projects. The evaluation design incorporates six key dimensions: outcome measures, client characteristics, program services, program implementation, program linkages, and program effectiveness. This report offers some preliminary findings from the first year of the JTHDP program operations, focusing on the first five of these dimensions. It provides basic operating and outcome data along with special analyses of a number of topics that were requested by ETA. It is based primarily on two sources of data:

- . The final evaluation reports submitted by each of the first-year JTHDP projects
- . Participant and outcome data from quarterly reports submitted by the projects.

All quantitative data and descriptive information that are presented in this report are self-reported by the projects.

RESULTS IN BRIEF

Thirty-two local projects have implemented a wide variety of case management, employment and training, housing, supportive, and post-placement followup services for homeless men, women, and children. As a group, the projects exceeded planned levels of participants served, trained, and placed. However, the 'traditional' training model, which seeks to provide employability development

followed by placement in unsubsidized employment may not be a realistic way of serving many homeless persons. Other approaches being adopted by local projects stress direct placement in jobs, rely on subsidized employment as a reasonable middle-range goal, and incorporate an extended stabilization or recovery period.

Given the widely divergent needs of homeless persons, effective case management and the development of effective coordination with other agencies are widely viewed as essential ingredients of JTHDP projects. The most frequently offered training and employment services by projects include job search assistance, job development and placement, and occupational skills training.

Initial analyses have documented significant barriers to effective participation in employment and training programs (as well as eventual unsubsidized employment) that are faced by homeless people who are alcohol and/or other drug abusers. Resources currently available to JTHDP projects are inadequate to meet fully the needs of this group.

PRINCIPAL FINDINGS

1. The JTHDP Projects Exceeded Planned Levels of Clients Served, Trained, and Placed. (See Summary of Program Outcomes, Chapter 2)

As summarized in Exhibit 1, both the demonstration as a whole and most individual projects exceeded planned outcome levels.

2. The JTHDP Projects Achieved a Variety of Other Positive Outcomes. (See Summary of Program Outcomes, Chapter 2)

Average wage at placement has often been used as an indicator of the quality of the jobs in which employment and training program participants are placed. The average wage at placement for first-year JTHDP participants was slightly over \$5, well over the minimum wage.

Although the primary focus of JTHDP during the first year was training, employment and job retention, many projects also helped participants improve their housing circumstances. Approximately 2,000 participants were placed in upgraded housing (e.g., from street to shelter, from shelter to transitional housing, from transitional housing to permanent housing).

Exhibit 1
Comparison of Planned and Actual Performance
on Selected Outcome Measures

	Planned	Actual
Total Participants	5,100	7,400
Total Trained	3,100	4,600
Total Placed in Unsubsidized Employment	2,100	2,400



Many other participants were reported to have achieved a variety of other positive outcomes, including:

- . completed extensive vocational/occupational training
 - . gained work experience or placed in supported work
 - . completed high school or a GED, and/or
 - . obtained benefits to which they were entitled from various Federal programs.
3. **The JTHDP Projects Have Served a Diverse Group of Homeless Persons, Including Many with Major Barriers to Employment.** (See Summary of Participant Characteristics, Chapter 3)

Although the Department of Labor permitted JTHDP projects to target their services to specific subgroups within the overall homeless population, only 8 of the 32 projects chose to do so. Information supplied by the projects indicates that roughly 66 percent of the JTHDP participants were males, about 88 percent were working-age adults, approximately 50 percent were ethnic or racial minority-group members, and a slight majority had a high school diploma or GED.

The data provided on barriers to employment faced by participants are instructive. Review of information contained in the local project final evaluation reports indicates that approximately 45 percent of participants had alcohol and other drug abuse problems; 39 percent were dropouts; 24 percent had emotional or other mental illnesses; 12 percent were ex-offenders; 11 percent were physically disabled; and 9 percent were victims of spouse abuse.

4. **Many JTHDP Local Projects Have Adopted Service Delivery Models That differ from the Traditional Model.** (See Alternative Models of Service Delivery, Chapter 4.8)

When the JTHDP was planned, Federal and local policymakers and planners primarily had a 'Traditional Training Model' in mind. In particular, it was presumed that the typical participant would move from intake and assessment into case management, receive job training services and be placed into unsubsidized employment.

This model assumes that the homeless persons enrolled in the JTHDP would have the capacity to benefit from training, the desire to participate in training, the means to support themselves and their families while in training, and the capacity to overcome fully their barriers to employment over the course of a training program and, thus permitting unsubsidized employment at the end of the training.

This model of service delivery has been implemented for many clients at many of the JTHDP projects. It has proven feasible for people with income support and shelter (e.g., Aid to Families with Dependent Children mothers living in family shelters) whose barriers to employment do not preclude attendance at training sessions and are not so great as to make it implausible to think about unsubsidized placement at the end of the training.

However, as the JTHDP projects were implemented, (indeed, as assumed or planned for projects targeted on the mentally ill or on recovering substance abusers) it became clear that these assumptions did not hold for all of the homeless people enrolled in the JTHDP. Some participants felt that they could not afford to postpone employment for lengthy training because they needed funds for food and shelter immediately. These people, primarily single males, pressed local project staff for immediate referrals to jobs regardless of the formal project structures. As a result, a number of projects formally or informally developed a "Direct Employment Model" for a portion of their participants where clients move directly from intake and case management to placement. This model seems viable for homeless persons who are relatively job ready and without immediate sources of income and shelter.

Over time, a number of projects realized--or in some cases had assumed in their local plans--that the goal of unsubsidized employment is not realistic, at least in the short run, for many homeless people with serious mental or physical disabilities. Some projects are using a "Long-Term Support Model" that relies on subsidized employment or a sheltered workshop or supported work setting as either a means to eventual unsubsidized employment or a realistic final outcome. This model entails moving from intake/assessment and case management into a continuing subsidized employment/sheltered work setting.

Finally, JTHDP project efforts to serve many homeless people led them to work with clients who simply were not yet ready to participate in training or subsidized jobs, let alone unsubsidized employment. Specifically homeless clients who were struggling with and/or recovering from alcohol or other drug dependency often needed a period in which they could stabilize their lives before they were ready to participate fully in employment and training-oriented activities.

Given this situation, a number of JTHDP projects began to develop what might be called a "Recovery Model." This model calls for an extended period of time in which case management, counseling, and alcohol or other drug abuse treatment are provided to help clients learn or relearn socialization skills and overcome dysfunctional behaviors.

5. JTHDP Projects Reported That Case Management is a Critical Service. (See Case Management, Chapter 4.C)

Case management, a process by which one or more staff oversees the assessment and receipt of needed services by a homeless person during the entire time the participant is being served by the project, was frequently cited by projects as one of the most critical components of their programs, and the authors of local evaluation reports often stated it was the service most frequently utilized by project participants.

6. JTHDP Projects Vary Considerably in the Degree to Which They Utilize Sophisticated Assessment Tools. (See Assessment, Chapter 4.D)

Reports from 11 projects indicated their staff use assessment methods that go beyond interviews by an intake worker or case manager by using standardized assessment tools such as the Wide Range Achievement Test or the Adult Basic Learning Examination. Six other reports indicate that JTHDP project staff make referrals to other agencies for sophisticated assessment. The remaining projects make only general references to the kinds of assessment they are doing. Based on site visits to some projects and telephone conversations with others, we have concluded that assessment at these sites consists primarily of an interview by an intake worker or case manager oriented around filling out an employability development and/or services plan.

7. Job Search Assistance, Job Development and Placement, and Vocational/Occupational Skills Training are the Most Popular Employment and Training Services Offered by JTHDP Projects. (See Employment and Training Services, Chapter 4.E)

Final evaluation reports indicated that at least 80 percent of the participating projects offered the following employment and training services:

- Job search assistance/job preparatory training was reported as being offered in 87 percent of the projects.
- Job development and placement was reported as being offered in 84 percent of the projects.
- Vocational/occupational skills training in a classroom setting was reported as being offered in 83 percent of the projects.

6. JTHDP Projects also Frequently Offered Remedial Education, Counseling, and Subsidized Employment Services. (See Employment and Training Services, Chapter 4.E)

Other employment and training services reported as being offered included remedial education and basic skills/literacy instruction (61 percent of the projects), job counseling (52 percent of the projects), and subsidized employment. The latter included:

- . Work experience-35 percent.
- . Subsidized employment--i 6 percent.
- . Sheltered employment--l3 percent.

9. Postplacement Services are Important for Homeless Persons. (See Postplacement Services, Chapter 4.F)

The reports submitted by the JTHDP projects indicated consensus that the service delivery process does not end once employment is secured. Many formerly homeless individuals need and receive support both during and after the 13-week followup period outlined in the legislation and regulations. Postplacement services frequently cited by the projects include transportation, employee/employer, intervention/advocacy, continuation of support services, rental assistance, and group counseling.

10 JTHDP Projects Have Worked with Other Community Agencies To Promote Referral and Other Collaborative Relationships. (See Program Coordination, Chapter 5)

Twenty-eight of the final evaluation reports explicitly addressed steps that were being taken to promote linkages from JTHDP projects to other community agencies that are in a position to help homeless people. The predominant service areas provided through linkages are supportive services, housing, and employment and training. Projects also reported that efforts to promote coordination have resulted in a range of additional benefits. Systems of coordination have contributed to the acceptance of JTHDP projects in their communities, increased public awareness of the project, built community support for the problems of the homeless, and resulted in capacity building to effectively address the needs of the homeless population.

11. Limited Effectiveness of JTHDP for Homeless Alcohol and Other Drug Abusers.
(See Incidence of Alcohol and Other Drug Abuse Among Homeless Participants, Chapter 6)

Information reported by the JTHDP projects makes it clear that the need for alcohol and other drug abuse counseling and treatment efforts far outweighs the ability of JTHDP projects to provide them from their own resources. Moreover, it appears that problems in availability of treatment slots are limiting the ability of JTHDP projects to make successful referrals to agencies that specialize in this kind of treatment. Data from the first year of operations of the JTHDP confirm that the profound effects of alcohol and other drug abuse on participants are a primary reason why individuals and families are not able to take full advantage of JTHDP services, do not fully benefit from training opportunities, are not placed in jobs, and do not succeed in employment settings.

CONCLUSIONS AND IMPLICATIONS FOR FURTHER EVALUATION

1. The Need for Employment and Training Services for Homeless People

The demand for employment and training services for homeless people is illustrated by the fact that most JTHDP projects served far more people than expected. The 7,400 participants served is considerably more than the 5,200 homeless people that the projects planned to serve. In addition to exceeding the number of participants served, the projects also exceeded the proposed number of participants that participated in training-related activities. Three thousand-fifty participants were expected to enter training; the actual number of participants enrolled in training was slightly over 4,600.

2. The Potential of Analyzing JTHDP Activities In Terms of Alternative Models of Service Delivery

Adoption of an analytic framework in which there are alternatives to the Traditional Training Model should be helpful in conceptualizing the ways that projects are viewed and the kinds of outcomes that seem appropriate measures of program performance. In particular, it is important to recognize that many homeless men, women, and youth are not immediately ready for traditional employment and training services.

3. **The Need for Supportive Services That Make It Possible for Hard-to-Place Homeless People To Benefit from Employment and Training Services**

At minimum, adequate supportive services for homeless individuals with alcohol and other drug abuse, with chronic mental illness, and with other severe barriers to employment may be necessary before helping them to achieve stable employment and housing arrangements. Without these services, many homeless people cannot be expected to complete training programs, be placed in jobs, or stay in them.

4. **The Need To Explore the Strengths and Weaknesses of Subsidized Employment as a Way To Serve Hard-to-Place Homeless Men and Women**

Those who were responsible for drafting the Job Training Partnership Act believed that the problems associated with subsidized employment in the public and private non-profit sectors under the Comprehensive Employment and Training Act outweighed their benefits. As a result, they eliminated the CETA provisions that had authorized public service employment and put severe limits on adult work experience in JTPA. These limits are not in effect for the JTHDP, however, and a number of grantees attempted to integrate versions of work experience and related approaches into their service models.

In particular, site visits to the **City of Saint Paul Job Creation and Training Section (Minnesota)** and the **Seattle-King County Private Industry Council (Washington)** projects suggest that local staff believe that an 'enriched work experience' model that combines traditional work experience at government and/or private non-profit work sites with basic education and/or skills training can be a useful tool in helping homeless men and women who need immediate income but are not yet ready for unsubsidized employment or on-the-job training at for-profit work sites, including many hard-to-place clients with chronic mental illnesses and substance abuse problems. Other grantees found that supported and sheltered employment can also be useful approaches for this same hard-to-place client group.

5. **The Need for Increased Coordination**

In recent years, employment and training program operators have become increasingly aware of the need to coordinate their efforts with education, welfare, and social service programs. By definition, efforts to help homeless people mean that coordination with programs to provide temporary and permanent housing also must also be incorporated into program models. The first-year experience of the JTHDP makes it clear that the high prevalence of alcohol and other drug abuse problems among homeless people indicates that still more linkages are necessary..